

BEFORE THE BOARD OF REAL ESTATE APPRAISERS
DEPARTMENT OF LABOR AND INDUSTRY
STATE OF MONTANA

In the matter of the proposed) NOTICE OF PUBLIC HEARING
amendment of ARM 24.207.517) ON PROPOSED AMENDMENT
and ARM 24.207.518 pertaining)
to trainee and mentor)
requirements)

TO: All Concerned Persons

1. On May 24, 2005, at 9:00 a.m., a public hearing will be held in room 489 of the Park Avenue Building, 301 South Park Avenue, Helena, Montana to consider the proposed amendment of the above-stated rules.

2. The Department of Labor and Industry will make reasonable accommodations for persons with disabilities who wish to participate in this public hearing or who need an alternative accessible format of this notice. If you require an accommodation, contact Barb McAlmond no later than 5:00 p.m., May 18, 2005, to advise us of the nature of the accommodation you need. Please contact Barb McAlmond, Board of Real Estate Appraisers, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513; telephone (406) 841-2325; Montana Relay 1-800-253-4091; TDD (406) 444-2978; facsimile (406) 841-2323; e-mail dlibsdua@mt.gov.

3. The rules proposed to be amended provide as follows, stricken matter interlined, new matter underlined:

24.207.517 TRAINEE REQUIREMENTS (1) through (9) remain the same.

(10) A trainee shall perform qualifying experience within Montana ~~and within a 100 mile radius of the mentor's business address for residential appraisals. A trainee is not geographically limited for non residential assignments in Montana.~~

(11) remains the same.

AUTH: 37-1-131, 37-54-105, MCA

IMP: 37-1-131, 37-54-105, 37-54-201, 37-54-202, 37-54-303, 37-54-403, MCA

REASON: The Board of Real Estate Appraisers finds it reasonably necessary to propose this amendment at this time to address specific concerns raised by the 2005 Legislature. This amendment is intended to eliminate the specific mileage limitation on performing appraisal assignments currently placed on the trainee. This amendment will allow trainees to complete their qualifying experience in Montana and not limit it to a specific distance from a mentor's business address.

Trainees are allowed to conduct appraisals anywhere and of any level their mentor is competent to complete.

24.207.518 MENTOR REQUIREMENTS (1) through (1)(g) remain the same.

(h) inspect the first 100 properties with each trainee under the mentor's supervision; ~~and~~

(i) be limited to mentoring a total of ~~two~~ three trainees at any particular time-; ~~and~~

(j) be limited to mentoring trainees in geographic areas where the mentor is competent to perform appraisals.

(2) remains the same.

AUTH: 37-1-131, 37-54-105, MCA

IMP: 37-1-131, 37-54-105, 37-54-201, 37-54-202, 37-54-301, 37-54-403, 37-54-411, 37-54-416, MCA

REASON: This amendment allows a qualified mentor to supervise up to three trainees at a time. This number mimics the guidelines established by the Appraisal Qualifications Board. The AQB establishes guidelines and requirements states must follow to remain in compliance with Title XI of Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA). Removing the mileage limitation on the appraisals conducted by a trainee under a mentor and shifting the responsibility to the mentor's competence rather than geographic area better reflects the true intent of the requirement. Mentors must determine if they are competent to perform appraisals in a geographic area before they can supervise a trainee performing the appraisal assignment.

4. Concerned persons may present their data, views or arguments either orally or in writing at the hearing. Written data, views or arguments may also be submitted by mail to Barb McAlmond, Board of Real Estate Appraisers, Department of Labor and Industry, P.O. Box 200513, Helena, Montana 59620-0513, by facsimile to (406) 841-2323 or by e-mail to dlibsirea@mt.gov and must be received no later than 5:00 p.m., June 1, 2005.

5. An electronic copy of this Notice of Public Hearing is available through the Department and Program's site on the World Wide Web at <http://www.realestateappraiser.mt.gov>, in the Rules Notices section. The Department strives to make the electronic copy of this Notice of Public Hearing conform to the official version of the Notice, as printed in the Montana Administrative Register, but advises all concerned persons that in the event of a discrepancy between the official printed text of the Notice and the electronic version of the Notice, only the official printed text will be considered. In addition, although the Department strives to keep its website accessible at all times, concerned persons should be aware that the website may be unavailable during some periods, due to system maintenance or technical problems, and that a

person's technical difficulties in accessing or posting to the e-mail address do not excuse late submission of comments.

6. The Board of Real Estate Appraisers maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this Board. Persons who wish to have their name added to the list shall make a written request that includes the name and mailing address of the person to receive notices and specifies that the person wishes to receive notices regarding all Board of Real Estate Appraisers administrative rulemaking proceedings or other administrative proceedings. Such written request may be mailed or delivered to the Board of Real Estate Appraisers, 301 South Park Avenue, P.O. Box 200513, Helena, Montana 59620-0513, faxed to the office at (406) 841-2323, e-mailed to dlibsarea@mt.gov or may be made by completing a request form at any rules hearing held by the agency.

7. The bill sponsor notice requirements of 2-4-302, MCA, do not apply.

8. Lon Mitchell, attorney, has been designated to preside over and conduct this hearing.

BOARD OF REAL ESTATE APPRAISERS
TIM MOORE, CHAIRPERSON

/s/ KEITH KELLY
Keith Kelly, Commissioner
DEPARTMENT OF LABOR AND INDUSTRY

/s/ MARK CADWALLADER
Mark Cadwallader
Alternate Rule Reviewer

Certified to the Secretary of State April 18, 2005